

ADVISORY OPINION 96-002

Any advisory opinion rendered by the registry under subsection (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is required. KRS 121. 135(4).

March 27, 1996

Mr. Paul A. Zimmerman, Treasurer
Kentucky Agents Political Action Committee
10221 Linn Station Road
Louisville, Kentucky 40223

Dear Mr. Zimmerman:

This is in response to your request for an advisory opinion regarding whether the Young Agents Committee of Independent Insurance Agents of Kentucky, Inc. ("IIAK") may offer a registration fee discount for its annual conference to individuals who have contributed to its permanent committee, Kentucky Agents Political Action Committee ("KAPAC"). Essentially, you ask whether a committee of IIAK, a corporation, may offer an incentive to persons who contribute to KAPAC or whether the discount would be a contribution by IIAK to KAPAC.

KRS 121.015(6)(a) defines a contribution as a "[p]ayment, distribution, loan, deposit, or gift of money or other thing of value, to...a committee..." The amount of the discount would be a repayment or indirect payment from IIAK to KAPAC to offset the amount contributed to KAPAC by conference registrants. As the amount of the discount would be a contribution as defined by KRS 121.015(6)(a), IIAK would be prohibited from offering the discount by KRS 121.025 and KRS 121.035 which prohibit corporations from contributing to candidates or organizations which aid or assist candidates. Likewise, KAPAC would be prohibited from accepting any contribution from persons who receive the discount by KRS 121.150(21) which provides that "[n]o...committee, except a political issues committee,...shall knowingly accept a contribution from a corporation, directly or indirectly."

If you have further questions, please feel free to contact the Registry at (502) 573-2226.

Sincerely,

Rosemary F. Center
General Counsel

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